

**HOUSE OF REPRESENTATIVES****THIRTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE****Public Law No. 13-25****HOUSE BILL NO. 13-161, HD1****AN ACT****TO AMEND THE LAND COMPENSATION ACT OF 2002 (PUBLIC LAW 13-17), AND FOR  
OTHER PURPOSES.**

**Offered by Representatives:** Jesus T. Attao, Martin B. Ada, Francisco DLG. Aldan, Oscar M. Babauta, Gloria DLC. Cabrera, Pedro P. Castro, Joseph P. Deleon Guerrero, Heinz S. Hofschnneider, Arnold I. Palacios, Herman T. Palacios, Norman S. Palacios, Daniel O. Quitugna, Andrew S. Salas, Benjamin B. Seman, Ramon A. Tebuteh, Mannel A. Tenorio, Stanley T. Torres, and William S. Torres

**Date:** July 23, 2002**Referred to:** N/A**Public Hearing:** None**Standing Committee Report:** None**PASSED by the HOUSE OF REPRESENTATIVES****July 23, 2002****on First and Final Reading****Referred to:** Committee on Resources, Economic Development and Programs**Public Hearing:** None**Standing Committee Report:** 13-46**PASSED by the SENATE****July 23, 2002****on Final Reading****ATTACHMENT "C"**  
Evelyn C. Fleming  
House Clerk

**THIRTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE****SIXTH SPECIAL SESSION, 2002****Public Law No. 13-25****H. B. NO. 13-161, HD1****AN ACT**

~~TO AMEND THE LAND COMPENSATION ACT OF 2002 (PUBLIC LAW 13-17), AND~~  
~~FOR OTHER PURPOSES.~~

**BE IT ENACTED BY THE THIRTEENTH NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:**

1       **Section 1. Amendments.** The Land Compensation Act of 2002 (Public Law 13-17)  
2       is hereby amended as follows:

3               **(1) Section 3 (a) is amended to read as follows:**

4               (a) The Marianas Public Lands Authority shall hereby incur public  
5       debt in an amount up to \$40,000,000, for the financing of the retirement of land  
6       compensation claims against the Commonwealth for land taking by eminent domain  
7       or other legal process. In accordance with 4 CMC § 10203(a)(27), the Marianas  
8       Public Lands Authority shall arrange for the public debt mandated under this Act in  
9       cooperation with, and subject to the approval of, the Commonwealth Development  
10      Authority.

11              **(2) Subsection (e)(ii) of 4 CMC § 1803, enacted by Public Law 13-17, is**  
12      **hereby amended as follows:**

13              (ii) After the amount in subparagraph (i) has been transferred, and  
14      notwithstanding any law to the contrary, on or before October 1, 2002 with  
15      MPLA securing the \$40,000,000 mandated by PL 13-17, as amended, and  
16      annually thereafter, the Department of Finance shall deposit the balance  
17      amount of the liquid fuel tax collected under 4 CMC § 1403(a) and the entire  
18      amount of the aviation tax collected under 4 CMC § 1403(b) into the Land  
19      Compensation Fund. Such funds shall be continually appropriated to the

Public Law No. 13-25  
HOUSE BILL NO. 13-161, HD1

1 Marianas Public Lands Authority for the sole purpose of paying the principal  
2 and interest on any financing authorized by PL 13-17, as amended. Provided,  
3 that, in the event the amount in the Land Compensation Fund is insufficient to  
4 cover any requisite payment, the Governor is hereby authorized,  
5 notwithstanding any contrary law, to pay the remaining balance from the  
6 general fund. The funds in the Land Compensation Fund shall be nonlapsing,  
7 except, upon certification by the Secretary of Finance that all principal and  
8 interest on all financing has been paid in full and discharged, any funds  
9 remaining in the Land Compensation Fund shall lapse to the general fund.

10 (3) The Land Compensation Act of 2002 (Public Law 13-17) is further  
11 amended by adding the following new sections 9-14, and by renumbering  
12 affected existing sections accordingly:

13 "Section 9. Method for Valuation of Land. For purposes of this Act,  
14 land owners shall receive just compensation based on the fair market value of  
15 the land at the time of taking by the Commonwealth. MPLA may use as a  
16 guide the procedures set forth in 2 CMC §§ 4712(a)(2) and (3) to determine  
17 fair market value at the time of taking.

18 Section 10. Administrative Hearing.

19 (a) If, upon a written offer of just compensation, a land owner disputes  
20 the method used to determine, or the amount of, the just compensation offered  
21 by the Commonwealth to resolve the land compensation claim, the land owner  
22 shall have 20 days to make a written request for an administrative hearing to  
23 protest the offer.

24 (b) For purposes of a hearing conducted pursuant to this section and  
25 for purposes of 1 CMC §§ 9109 and 9110:

26 (1) "Agency" shall mean such hearing officer appointed by the  
27 Commissioner of the Marianas Public Lands Authority, and

Public Law No. 13-25

HOUSE BILL NO. 13-161, HD1

(2) The agency shall have the general power to issue subpoenas, summon witnesses, require production, administer oaths, and other powers that may be necessary to effectively implement this Act.

(c) All hearings shall be commenced within 30 days of the filing of the written protest by the land owner. Adequate notice shall be given to all parties and opportunity shall be made available to them to present such evidence as they may desire. All hearings shall be conducted pursuant to 1 CMC § 9109.

(d) The agency shall upon concluding the hearing issue findings, decision and orders within 30 days. Issuance of findings, orders and decisions upon hearing shall be pursuant to 1 CMC § 9110, but shall not be judicially reviewable until final.

#### Section 11. Administrative Review.

(a) Within 15 days of the date of service upon any person or party affected by findings, orders, or decisions of the agency made pursuant to Section 10 of this Act may appeal to the Board of Public Lands by written notice. If no appeal is made to the board within 15 days of the date of service of the original findings, orders or decisions, the findings, orders or decisions shall be unreviewable administratively or judicially.

(b) Upon review, the board may at its discretion:

- (1) Restrict review to the existing record;
- (2) Supplement the record with new evidence;
- (3) Hear oral argument; or
- (4) Hear the matter de novo, in which case the hearing shall be conducted pursuant to 1 CMC §§ 9109 and 9110.

(c) Upon completion of review, the Board of Public Lands shall confirm or modify the agency findings, order or decision in writing within 30 days. Any



Public Law No. 13-25  
HOUSE BILL NO. 13-161, HD1

1 modification shall include supplemental findings. The board's decision shall  
2 constitute final action for purposes of judicial review.

3 Section 12. Judicial Review. Judicial review of a final action of the Board of  
4 Public Lands is authorized after exhaustion of administrative remedies, and must be  
5 initiated within 15 days of the final action. Judicial review shall be pursuant to  
6 1 CMC § 9112. Provided, however, notice of all actions and proceedings pursuant to  
7 this section shall be served on the Attorney General. Notwithstanding any provision  
8 of law to the contrary, judicial review shall be confined to the administrative record.

9 Section 13. Rulemaking Authority. The Commissioner with the approval of  
10 the Board shall promulgate rules and regulation to implement the intent of this Act  
11 pursuant to the Commonwealth Administrative Procedure Act, prior to  
12 implementation of any negotiations of land claims pursuant to this Act.

13 Section 14. Funding. Notwithstanding any provision of law, the Board of  
14 Public Lands shall utilize funds retained from all moneys received from public lands  
15 to meet reasonable expenses of obtaining appraisals for the purposes of this Act and  
16 for conducting the administrative hearings and review provided herein."

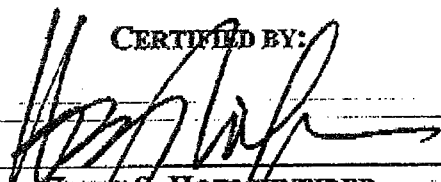
17 Section 2. Severability. If any provisions of this Act or the application of any such  
18 provision to any person or circumstance should be held invalid by a court of competent  
19 jurisdiction, the remainder of this Act or the application of its provisions to persons or  
20 circumstances other than those to which it is held invalid shall not be affected thereby.

21 Section 3. Savings Clause. This Act and any repealer contained herein shall not be  
22 construed as affecting any existing right acquired under contract or acquired under statutes  
23 repealed or under any rule, regulation or order adopted under the statutes. Repealers  
24 contained in this Act shall not affect any proceeding instituted under or pursuant to prior law.  
25 The enactment of the Act shall not have the effect of terminating, or in any way modifying,  
26 any liability, civil or criminal, which shall already be in existence on the date this Act  
27 becomes effective.

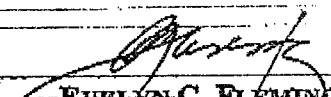
Public Law No. 13-25  
HOUSE BILL NO. 13-161, HD1

1       Section 4. Effective Date. This Act shall take effect upon its approval by the  
2 Governor, or it becoming law without such approval.

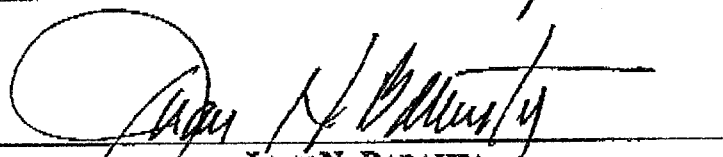
CERTIFIED BY:

  
HEINZ S. HOFSCHEIDER  
SPEAKER OF THE HOUSE

ATTESTED TO BY:

  
EVELYN C. FLEMING  
HOUSE CLERK

Approved this 20<sup>th</sup> day of September, 2002

  
JUAN N. BABAUTA  
GOVERNOR  
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS